



Kolde Construction Wins More Jobs and Increases Profits with ProEst Estimating

The Challenge

Kolde Construction is a commercial and residential concrete contractor in St. Marys, KS with 35-40 employees and annual revenues of more than \$4M. In business for 22 years, Kolde management meetings often focus on identifying ways to increase productivity and work volume. A new estimating system, it was decided, would accomplish both of these objectives.

“When I first started working at Kolde,” remembers Malcolm Smith, the company’s estimating lead, “estimates were hand-written. The first thing I did was replace the manual system with Excel spreadsheets.” Now it was time to take the next step forward in streamlining the company’s estimating processes.

The Solution

One of many programs that Smith evaluated was ProEst Estimating. “I found ProEst through a search on the Internet,” Smith explains. “I requested a demo disk to evaluate the software and liked the look of ProEst right from the start.”

The ProEst software met all of Kolde’s critical criteria in an estimating package. “We wanted something that was easy to use,” Smith says. “But we also needed a comprehensive program that could calculate our formulas quickly and be customized to meet our company’s needs.”

Kolde was as impressed by the company as they were with the software. “Our salesman really took the time to discuss our exact needs,” states Smith. “After they gave us a demonstration of ProEst, we felt the program was just what we were looking for so we purchased the software in February of 2003.

The impact on the company’s bottom line has been impressive.

At-A-Glance

Company:

Kolde Construction
Location: St. Marys, KS
Industry: Concrete Construction
Employees: 35-40
Annual Revenues: over \$4M

Challenge:

How to streamline the company’s estimating processes.

Solution:

ProEst Estimating Software integrated with ComputerEase Accounting Software.

Results:

- > Ability to produce fast and accurate estimates
- > Increased bid-hit ratio, work volume and annual profits
- > Import estimates from ProEst to ComputerEase in seconds
- > Reports help keep jobs on schedule and within budget
- > Professional proposals enhance company image

The Results

“With ProEst,” states Smith, “we have significantly increased the number of estimates we are able to generate.” To illustrate his point, Smith provides this remarkable example:

“We did 19 estimates in July 2004 and 39 in July 2005. We only won 11 of the 19 estimates in 2004; this year we won 27 of the 39 estimates. Our bid-hit ratio has increased considerably. We won more jobs and our dollar volume increased from \$442,000 in July 2004 to \$631,000 in July 2005.”

Smith credits ProEst for these dramatic results.

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recently working on an estimate for \$1.5 million worth of work. I did the whole estimate in about four hours,” Smith cites. “Another project is going to be about \$4.5 million a year for 10 years. Before ProEst, bidding this would have taken four to five days. Now, I can create the estimate in just one day.”

The software’s reporting capabilities are extremely valuable to Kolde. “We run monthly status reports that help us compare our hit ratio with our volume of work,” Smith relates. This helps management keep a finger on the pulse of the company’s profitability.

The reports have also helped on the jobsite. “When our field guys go out on a job, they get an actual copy of the estimate without the dollar figures. This allows them to know exactly what materials they need and where the labor production needs

to hit.” This information helps keep jobs on schedule and within budget.

Another important reporting function, the Proposal Writer, allows Kolde to customize proposals with a minimal amount of effort. Default language for scope of work, payment schedule, inclusions, exclusions, and special conditions offer a solid base for proposals. “Our commercial customers are really impressed when they get a custom proposal generated by ProEst,” says Smith.

Over the last year, Kolde has refined their ProEst setup to create a repeatable system for generating estimates that are, as Smith says, “right on the money.”

Integration with ComputerEase Accounting

With help from ProEst, Kolde recently integrated ProEst with the company’s ComputerEase accounting software, which has further increased productivity.

“Before, we had to print out multiple reports and manually enter the data into ComputerEase,” explains Smith. “Now, a single click of my mouse drops my entire job budget from ProEst directly into ComputerEase. What was probably taking 30–45 minutes before, now only takes seconds.” Multiplied by numerous jobs each month, this adds up to a significant time savings over the course of a year.

ProEst Support: ‘Second to None’

When Kolde first started using ProEst, they took advantage of the Internet training offered by ProEst. “It was very helpful when we first started out,” Smith says. “It gave us a good grasp of the basics and we’ve had refresher training as needed. I would rate the support at ProEst as second to none.”

Bottom Line

For Kolde Construction, the future looks extremely bright. One reason why? The company is in position to capitalize on the housing construction boom in nearby Fort Riley. “Having ProEst in place,” explains Smith, “allowed us to act quickly to secure this work. If we had been using our old spreadsheets, there is just no way we could have done it.”

Plus, Kolde profits are up for 2005. “The first quarter of the year we usually lose money due to weather. It normally takes until the end of August to reach the break even point. This year, we reached the break even point by the end of July. Thanks in part to ProEst, our volume is up, and profits are up as well. We are very happy with ProEst.”